

**Iowa Department of Economic Development  
Presentation to the Rebuild Iowa Advisory Commission  
Meeting in Cedar Rapids  
July, 30, 2008**

Current estimates of damage to business are very rough. Filing by businesses for SBA is historically late. Current number of businesses served by SBA \_\_\_\_\_ for \$ \_\_\_\_\_. Average loan \$ \_\_\_\_\_.

Currently no state programs for assistance to business from a disaster. To stimulate the economy and to show progress we need small businesses reopening.

SBA acceptance rate is about 40%. Concerned about credit quality of borrowers turned down by SBA. Assistance can be provided to make more borrowers eligible for SBA and to reduce the interest payment of SBA loan. Propose to offer Forgivable Loans to SBA borrowers. Capped at \$20,000/loan. This would not be limited by industry or size or wages.

DED board feels strongly that the Department must continue to be aggressive assisting companies to expand and to attract new employers with high quality jobs. Board will dedicate \$5 million of Iowa Values Fund approximately 25% of what is available for the year and the department will reprogram \$5 million of 2008 CDBG. However we estimate we'll need at least \$20 million so we need \$10-15 million more in match or new state appropriation.